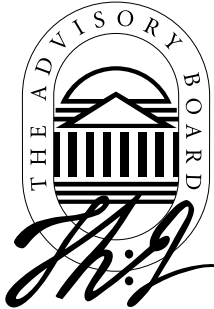


# CORPORATE LEADERSHIP COUNCIL

## FACT BRIEF



## *Innovative Recruitment and Staffing Strategies*

*September 1997*

### **Research Methodology**

### **Background Information**

### **Report Missions and Imperatives**

### **Overview**

### **Research Findings**

- *What are the company's most successful recruiting strategies and what are the driving factors behind those strategies?*
- *How does the company structure and support its recruiting function?*
- *How successful is the company's overall recruiting strategy?*

*This project was researched and written to fulfill the specific research request of a single member of the Corporate Leadership Council and as a result may not satisfy the information needs of other members. The Corporate Leadership Council encourages members who have additional questions about this topic to assign custom research projects of their own design. The views expressed herein by third-party sources do not necessarily reflect the policies of the organizations that they represent.*

# CORPORATE LEADERSHIP COUNCIL

## THE ADVISORY BOARD COMPANY

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### **FACT BRIEF**

#### **Innovative Recruitment and Staffing Strategies** **September 1997**

#### **Research Methodology**

The Corporate Leadership Council interviewed recruiting and staffing specialists at five United States corporations. These individuals discussed their company's recruiting functions. In addition, Corporate Leadership Council staff reviewed secondary materials and sources concerning this topic.

#### **Background Information**

Company	Number of Employees	Revenues	Industry
Company A	Between 7,500 and 20,000	Between \$2 billion and \$10 billion	Information Technology
Company B <sup>1</sup>	Between 7,500 and 20,000	Less than \$2 billion	Information Technology
Company C	Between 20,000 and 60,000	Between \$2 billion and \$10 billion	Consumer Products
Company D	Between 7,500 and 20,000	More than \$10 billion	Consumer Products
Company E	More than 60,000	More than \$10 billion	Information Technology
<sup>1</sup> Company B is a subsidiary of a company which employs over 60,000 people and generates more than \$10 billion annually in the information technology industry.			

### **Report Missions and Imperatives**

#### BACKGROUND

- (1) *Please describe the company's three most successful recruiting strategies.*
- (2) *In creating these strategies, what factors, imperatives or challenges was the company responding to?*

#### ORGANIZATIONAL STRUCTURE

- (3) *How does the company structure the recruiting function in order to meet its recruiting needs most effectively?*
  - I. *What are the key roles and responsibilities for each area of the recruiting function?*
  - II. *Is the recruiting function centralized or decentralized? Why?*
- (4) *What technological infrastructure supports the company's recruiting function?*

#### IMPLEMENTATION

- (5) *What systems, processes and resources did the company utilize to implement its recruitment strategies?*
  - I. *During implementation, did the company utilize external resources?*
- (6) *How does the company manage and implement ongoing change in its recruiting function?*

#### MEASURES OF SUCCESS

- (7) *Overall, how successful is the company's recruiting strategy? How does the company measure the success?*
  - I. *How does the company measure the quality of its hires?*
  - II. *What is the company's cost-per-hire?*
  - III. *What is the company's average number of vacancies?*

## EXECUTIVE SUMMARY

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Overall, companies' recruiting functions have little in common, suggesting that the profiled practices succeed in the context of a particular company but may not be applicable to all company situations. However, all interviewed individuals highlighted the following practices as among the most successful tactics in their organizations.

- Centralized departmental structure—three of the five profiled companies maintain a centralized structure in their recruiting departments. All profiled companies laud centralization as the most efficient tactic for containing costs and sharing ideas.
- College recruiting—companies cite recruiting directly from colleges and universities as the most effective method of sourcing candidates for entry-level positions.
- Diversity sourcing—all profiled companies cite increasing workforce diversity as a critical objective of their recruiting efforts in order to serve their clients better. Companies typically address this imperative by partnering with minority-based organizations and recruiting from traditionally minority colleges and universities.
- Focused departmental structure—interviewed individuals stress the importance of clearly delineating recruiters' roles. Two of the profiled companies divide recruiters into teams based upon the type of position for which they recruit; this allows recruiters to specialize in perfecting certain sourcing skills, leading to better-screened candidates.
- Internet sourcing—increasingly, companies are relying heavily on the Internet in order to:
  - Increase geographical reach
  - Lower overall costs by decreasing print advertising and travel
  - Pre-screen candidates for technical skills

Although Internet sourcing proves highly useful for the profiled companies, secondary research shows that many companies experience difficulty utilizing the web to its full potential. Companies experimenting with Internet sourcing should avoid the six pitfalls listed below.

- Confusing design—job postings should reflect a standard format in order to facilitate candidates' search efforts
- Empty web page—blank screens convey a complete lack of employment possibilities
- Generic descriptions—permanently posting broad job descriptions without specific details or information regarding availability is largely useless to job seekers

## EXECUTIVE SUMMARY (CONTINUED)

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- Hostile/prohibitive language—phrases such as “Do not submit application information to the webmaster” or “Company X will not respond to e-mail inquiries” create a negative impression of the company
  - Outdated postings—noticeably out-of-date postings indicate that recruiting and hiring is not a company priority
  - Poor marketing of job advertisements—links to employment pages should be immediately evident on companies’ home pages<sup>1</sup>
- Reliance on employee referrals—all profiled companies utilize employee referrals in order to perpetuate and support their corporate cultures. According to *Fast Company*, “Referrals tend to yield qualified employees with long tenures; people are putting their jobs on the line.”<sup>2</sup>
  - Strategic alignment with management—in order to ensure that companies recruit employees who possess critical skills, recruitment functions must inform themselves of the company’s strategic objectives. In addition, recruiting functions must communicate constantly with line managers in order to determine whether they understand the functional areas’ goals and the parameters of job descriptions.

The interviewed individuals at the following profiled companies particularly emphasized the success of certain recruiting strategies.

- A director of recruiting for a business line at **Company A** stresses the importance of removing the recruiting function from within human resources; instead, recruiting directors report directly to the vice president for their assigned business line. This structure facilitates communication between the recruiters and the line managers whom they serve.

The interviewed individual at Company A also highlights the company’s emphasis on productivity over a specified work process. The company provides all recruiters with laptop computers and allows flexible work schedules in order to ensure that recruiters can maximize opportunities and avoid expending energy on non-value-added activities (*i.e.*, wasting “face time” at the office due to the confines of a 9-to-5 work day).

- The director of staffing at **Company B** notes that utilizing contract recruiters is successful in supplementing the company’s recruiting staff during peak recruiting periods. She has also hired contract recruiters to facilitate changes in the department and feels that the company benefits from their prior experience.

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<sup>1</sup> Corporate Leadership Council. *Leadership Presentation*. Fall 1997: 40-41.

<sup>2</sup> *Fast Company*, August/September, 1997: page unknown. Quoted in Corporate Leadership Council. *Leadership Presentation*. Fall 1997: 28.

## CASE STUDY #1

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### BACKGROUND

Prior to 1995, Company A did not maintain a recruiting department and employed only one recruiter; it implemented its current recruiting structure when the company reached 60 percent annual growth and one recruiter could no longer support the company's recruiting needs. As an information technology company, it continues to face additional recruiting challenges due to intense competition for technical employees.

### OVERALL RECRUITING STRATEGY

**Maintain an organizational structure that clearly delineates recruiters' roles and responsibilities**

Based upon these challenges, the director of recruiting for one of Company A's business lines attributes the company's recruiting success to three facets of the departmental structure, as presented below.

- **Focus of recruiters' efforts on the three key areas:**
  - Identifying—source appropriate candidates
  - Recruiting—generate candidate interest in the company
  - Placing—identify job descriptions that potentially match candidate skill sets and determine which candidates to recommend to which hiring managers

The interviewed individual feels that companies often demand more from their recruiting staff than activities directly related to recruitment, making them less effective in the most important aspects of their jobs. He emphasizes that all recruiters' activities should be directly and clearly tied to one of these three responsibilities.

- **Performance measurement tied to the three key areas:** The director of recruiting explains that companies often measure recruiters' performance based upon the number of hires they source, despite the fact that hiring responsibilities belong to line managers. He feels strongly that companies should only measure recruiters' performance based upon factors that are related to the three key areas, such as those measurements listed below.
  - Cost-per-candidate ratio
  - Number of available candidates
  - Quality of available candidates, as reported by the hiring managers
  - Service to its internal clients (*i.e.*, functional areas)
  - Time to hire (for target recruiters only)

### CASE STUDY #1 (CONTINUED)

- **Division of recruiter responsibility:** The recruiting staff is divided into two distinct groups based on sourcing techniques: volume sourcing and target sourcing. The responsibilities of the recruiting staff are divided as detailed in the table below.

RESPONSIBILITIES OF COMPANY A'S RECRUITING STAFF				
Type of Recruiter	Sourcing Techniques	Responsibilities Particular to Sourcing Technique	Type of Candidates Recruited	Average Number of Openings per Recruiter
Volume Sourcing	Mass marketing, including <ul style="list-style-type: none"> <li>Internet</li> <li>Newspapers</li> <li>Unsolicited resumes</li> </ul>	<ul style="list-style-type: none"> <li>Develop advertisement copy, as necessary</li> <li>Identify effective advertising sites</li> </ul>	<ul style="list-style-type: none"> <li>Administrative employees</li> <li>Line production employees</li> </ul>	1-25
Target Sourcing	<ul style="list-style-type: none"> <li>Alumni directories</li> <li>Conference attendance lists</li> <li>Employee referrals</li> <li>Professional association memberships</li> </ul>	<ul style="list-style-type: none"> <li>Cold call potential candidates</li> </ul>	<ul style="list-style-type: none"> <li>Positions requiring technical skill</li> <li>Salespeople</li> <li>Upper management</li> </ul>	1-10 (maximum of 15)

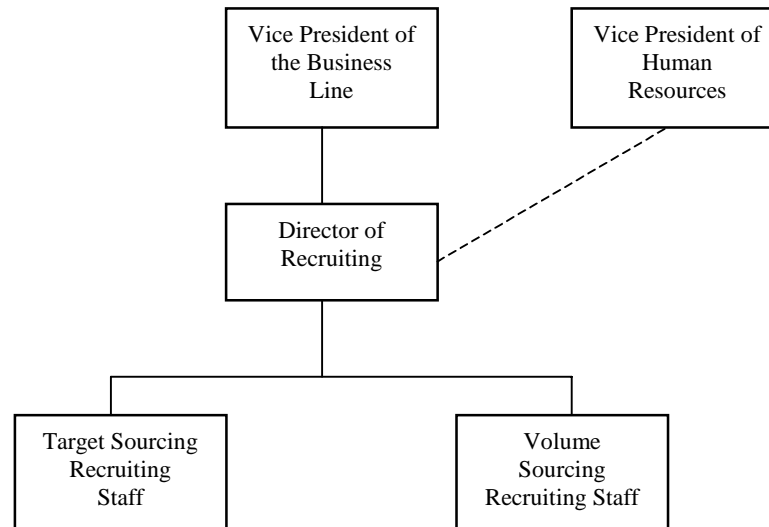
The interviewed individual at Company A attributes the company's recruiting success largely to this sourcing-based structure which allows recruiters to focus upon sourcing for specific positions through appropriately directed methods. This system allows recruiters to concentrate upon and perfect particular recruiting techniques, making their efforts more effective overall.

The organizational structure of Company A's recruiting function is presented in the diagram on the following page.

## CASE STUDY #1 (CONTINUED)

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### Company A's Recruiting Function



### SUCCESSFUL RECRUITING TACTICS

*Decentralized Functional Structure*—The company maintains separate recruiting functions for each business line, the interviewed individual considers the overall structure decentralized. He stresses that companies should decide between centralization and decentralization based upon the size of the company and its most pressing internal needs.

*Distinguish Recruiting from HR*—Company A's recruiting director emphasizes the importance of separating the recruiting function from the human resources department. By instead placing the recruiting function within the business line, the lines and the recruiting department have a fluid line of communication pertaining to business needs. This structure also forces the recruiting department to remain accountable to their internal clients.

*Do not use Resumix™*—Company A currently utilizes Resumix™ to support its recruiting function, but does not recommend this software. As this software cannot create a candidate profile without a resume the recruiting director feels that every recruiter would need a personal scanner in order for it to be useful. The software is useless for target recruiters as they often do not receive resumes until the end of the recruiting process. Instead the interviewed individual recommends any recruitment software with strong contact management capabilities that functions independently of a resume, such as Gold Mine™ or a Lotus Notes™ based system. He also suggests that software packages specifically designed for recruitment agencies typically fit his criteria.



## CASE STUDY #1 (CONTINUED)

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*Flexible Work Schedules*—The interviewed individual stresses that the company's recruiting strategy focuses upon productivity over a defined work process. In order to emphasize this imperative, the company provides all recruiters with laptop computers and allows employees flexible work schedules. This approach permits recruiters to work with as much freedom as necessary to provide the company with the best possible candidates.

*Competitive Compensation Package*—the recruiting director stresses that the company must provide an incentive compensation plan to recruiters.

*Functional Audit*—The interviewed individual emphasizes the importance of constant self-audits in order to manage and implement necessary change. Companies should consider the following aspects of the recruiting function during a self-audit.

- *Company turnover rates*—the company considers turnover rates to be a reflection of the quality of candidates who recruiters are sourcing
- *Hiring managers' recruiting skill level*—management must be able to capitalize on the hiring opportunities recruiters provide them
- *Reputation of the company in the marketplace*—the company's reputation impacts the efficacy of the recruiting function. However, because the recruiting function is largely unable to impact the company's reputation, they must adjust for it during a self-audit.
- *Necessary tools for recruiters*—the company must maintain a competitive compensation program, as well maintain a willingness to work with the recruitment function to meet other needs.

## MEASURES OF SUCCESS

**Consider factors external to the recruiting department  
when measuring success**

The interviewed individual emphasizes that companies should only consider measures of success in relation to the resources available to the recruiting department and to the cooperation levels of the functional areas and management. He feels that Company A has an extremely successful recruiting function; the company measures this success according to the criteria listed below.

- Lead-per-hire cost
- Number of candidates available
- Openings per recruiter
- Ratio of hires generated by recruiting staff to hires self-generated by functional areas
- Time-to-hire (for target recruiters)

### **CASE STUDY #1 (CONTINUED)**

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The company typically maintains between 5,000 and 6,000 vacancies throughout the company. Because the company only holds recruiters accountable for recruiting functions, its measurement of cost-per-hire only reflects recruiting costs (*i.e.*, recruiters' salaries and travel expenses, cost of membership lists and alumni directories, advertising expenses) and does not reflect any costs associated with hiring (*i.e.*, interviewers' or candidates' travel expenses, interviewers' salaries). However, the company's cost-per-hire for the first quarter in 1997 was \$3,158. Instead, the company focuses upon lead-per-hire cost—the ratio of the cost of generating candidates to the number of hires—but the interviewed individual was unable to provide numerical data for this measurement.

## CASE STUDY #2

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### BACKGROUND

Prior to the 1996 Telecommunications Act, **Company B** had only hired externally when it had exhausted all internal avenues; as such, it did not have or need a strong recruitment function. Because the 1996 bill deregulates the industry and allows companies to expand into new markets, Company B began recruiting externally in order to find employees who possessed strong skills in its new functional areas.

### OVERALL RECRUITING STRATEGY

**Collaborate with executive management in order to align recruitment with the company's strategic objectives**

In order to maximize the efficacy of the developing recruiting function, human resources identified gaps in the company's talent by conducting an organizational capability assessment that considered the company's strategic objectives in relation to the current personnel capabilities. Human resources presented their findings to the executive team which developed the "Organizational Renewal Objective." This company-wide objective recognizes the company's imperative to attract employees who possess "the skill sets of the future" in order to remain competitive in the marketplace. Additionally, the company also needs to increase the diversity of its workforce in order to better serve all of its customers.

The staffing director at Company B emphasizes the importance of hiring talented employees as recruitment identifies them. She feels that the company loses opportunities to hire "the skill sets of the future" when it waits to hire talented candidates into a specific position. Instead, the company hires exceptional candidates onto a "critical objective" when it locates them; after hiring, the company and the employee work together to develop the details of the position.

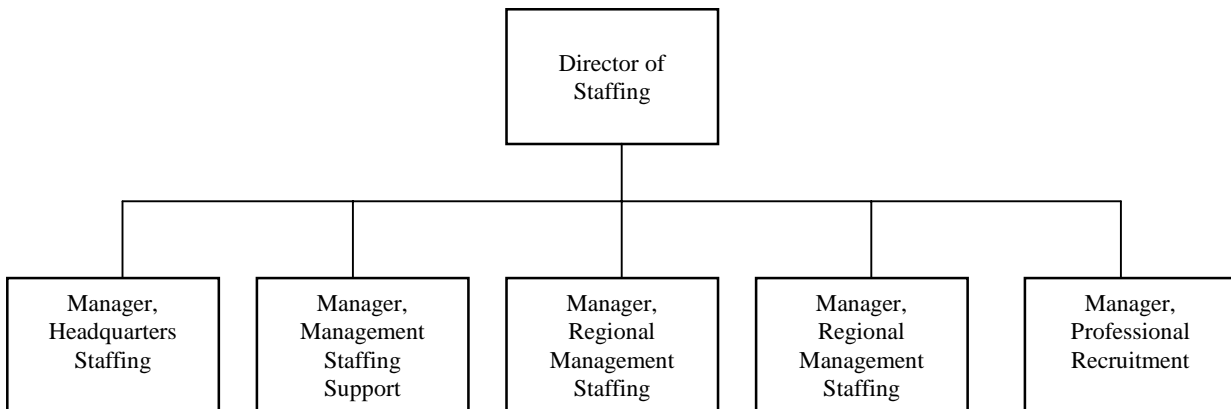
### SUCCESSFUL RECRUITING TACTICS

*Centralized Structure*—Company B maintains a centralized recruiting function, as delineated in the organizational chart on the following page.

## CASE STUDY #2 (CONTINUED)

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### Company B's Recruiting Function



The *recruiting group* sources candidates through channels such as career fairs and college recruiting; the *staffing groups* concentrate on placing those candidates with the appropriate functional areas. Although the company feels that this divided structure is effective in encouraging collaboration, the interviewed individual cautions that it requires extensive teamwork between the recruiting and staffing functions.

*"In-house outsourcing"*—Company B maintains contract recruiters internally to reduce the pressures of peak recruiting periods. The interviewed individual cautions that companies should always utilize more than one vendor when employing contract recruiters to ensure that the company will be prepared should problems arise with a vendor.

*Focused advertising strategy*—Company B contracts the New York City-based advertising firm J. Walter Thompson to construct all of its advertising, including job advertisements. In this way, the company maintains a consistent public image that it deems important for sustaining its reputation in the marketplace.

*Employee referrals*—the interviewed individual at Company B mentions that the employee referral program consistently provides the company with high quality candidates. However, she notes that the company currently offers its employees between \$750 and \$1,000 for a successful referral, but she does not feel that this incentive is comparable with the company's competitors. She would like to increase this incentive as she feels a larger enticement would compound the success of the program.

*Partnering with diversity-based organizations*—Company B works with the Society for Women Engineers, the National Black MBA and the National Hispanic MBA in order to reach its goal of increasing the diversity of its workforce. The interviewed individual comments that the company has found that these organizations attract highly skilled members and have provided the company with strong candidates.

## CASE STUDY #2 (CONTINUED)

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*Internet*—Due to the particularly high volume of work created by Internet sourcing, the interviewed individual emphasizes the importance of dedicating at least one staff member to this method. This person should be responsible for constantly updating job postings to ensure accurate advertisements and “mining” the resumes that candidates send via the Internet. The company is currently considering utilizing an outside vendor to manage its Internet work as it wishes to concentrate more heavily on strategic recruiting functions.

*Candidate tracking database*—the company developed a mainframe-based system for tracking candidate profiles as well as current employees’ career maps. Hiring managers still send requisitions to the recruiting function via hard copy, but the company hopes the database will manage this function by the end of 1998 to facilitate faster communication.

*Customer service to internal clients*—the functional areas at Company B pay the recruiting department for their services; as such, the recruiting department concentrates heavily on customer service to their internal “clients.” The recruiting department relies heavily on its clients to communicate necessary changes; the managers of the staffing groups meet with their clients on a regular basis to discuss the department’s success.

## MEASURES OF SUCCESS



**Utilize employee and client satisfaction surveys**

The recruiting department at Company B sends satisfaction surveys to clients and candidates three to six months after hire to determine their success; the surveys ask about the following aspects of the recruiting and hiring process.

- Acclimation to the corporate culture—the company concentrates on recruiting candidates who will fit into the corporate culture
- Effectiveness of job advertisements
- Quality of compensation packages
- Success and helpfulness of mentoring programs

Due to proprietary reasons, the interviewed individual was unable to provide information pertaining to time-to-fill and cost-per-hire. The average number of vacancies at the company over one year is 2,300; the recruiting department is currently conducting over 1,100 searches.

## CASE STUDY #3

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### BACKGROUND

**Company C** sources candidates who meet two primary qualifications—ability to embrace the corporate culture and willingness to remain with the company for an extended period of time. Therefore, the company hires the majority of its employees through entry-level positions. In addition, the company is located in the Midwest in which local residents prefer to remain; consequently, the majority of the company's employees are local. Therefore, Company C is currently committed to increasing both the geographic representation of its employees, as well as its workforce diversity.

### OVERALL RECRUITING STRATEGY

**Utilize a variety of sourcing techniques, such as college recruiting, unsolicited resumes and Internet and employee referrals**

Due to the concentration on entry-level staffing, Company C sources the majority of hires from college recruiting efforts. The company currently recruits at twelve colleges and universities and is considering new colleges at which to recruit, based upon the following qualifications.

- Traditionally minority student population—the company began recruiting at one traditionally African-American university in 1996 and hopes to build relationships with more
- History of alumni succeeding at the company
- Ranking—the company uses college guides, such as Peterson's, to locate schools with strong academic departments in its functional areas
- Traditional relationships with educational institutions (*i.e.*, local colleges)

In 1997, the company added a page to its web site entitled "Join Our Team," which allows interested individuals to submit "resume-type information." This technique dramatically increased the company's geographical reach. Although this recruiting technique creates an extremely high volume of resumes, the interviewed individual believes that the quality of candidates the company sources and subsequently hires through this method warrants the additional time and effort.

Company C does not offer referral bonuses to its employees but instead tries to remain an employer of choice; in this way, the company hopes that employees will market the company to their peers as an attractive employer. The interviewed individual comments that in order to ensure the success of this technique, the recruiting function ideally would communicate closely with line management to ensure that employees enjoy their jobs and will advertise the company positively.

If the company is struggling for candidates, it also advertises in newspapers such as the *Wall Street Journal*, as well as those based in the geographical locations from which it wishes to hire.

### CASE STUDY #3 (CONTINUED)

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#### SUCCESSFUL RECRUITING TACTICS

*Centralized structure*—Company C utilizes a centralized corporate recruiting department that acts as a “funnel” for all incoming information. The corporate recruiting department’s responsibilities are listed below

- Act as main contact for colleges and universities
- Allocate candidate information to the appropriate functional groups
- Collect unsolicited resumes
- Make necessary preparations for college visits (i.e., forward recruiting materials)

In addition to the corporate recruiting function, Company C also maintains recruiting functions in each functional area comprised of a director of recruiting and an administrative assistant; the functional areas with the greatest recruiting needs maintain a second assistant. The responsibilities of the functional area recruiting departments are presented below.

- Communicate with corporate recruiting regarding potential candidates and coordination of college visits
- Maintain and update resume database
- Source appropriate candidates
- Train interviewers from functional areas

*Resume tracking*—Company C created a resume database in order to track candidates’ progress from beginning to end. The company created another database called “Career Development Resumes” to hold the career plans of all employees and to assist in filling positions from internally.

As the interviewed individual has only been with the company for one month, she was unable to discuss the implementation and change processes; no other Company C representative was available for comment.

#### MEASURE OF SUCCESS

**Compare new employees to their peers in order to measure the quality of hires**

The company measures the quality of its hires based upon performance appraisals and employees’ progress along the learning curve relative to their peers. The interviewed individual stresses that the company concentrates on sourcing candidates who have the crucial skills and match the corporate culture at the outset in order to ensure that employees succeed. The company’s current cost-per-hire goal is \$10,000.

## CASE STUDY #4

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### BACKGROUND

The typical projected number of openings for **Company D** is between 250 and 300; in 1997, that number has increased by approximately 35 percent and the projected number of openings for 1998 is 572. Based upon this dramatic increase in requisitions, the company has recently reorganized its recruiting strategies. Additionally, the company's new recruiting strategies also reflect their commitment to increase the diversity of the current workforce.

### OVERALL RECRUITING STRATEGIES

- **Maintain a centralized departmental structure**
- **Actively seek management support at all times**
- **Utilize a variety of sourcing techniques**

Due to a central location and common goals of the recruiting groups, the interviewed individual considers the recruiting function centralized. He emphasizes the benefits of this system which allows recruiting teams to share information and avoid duplication of efforts and costs (*i.e.*, office equipment and supplies).

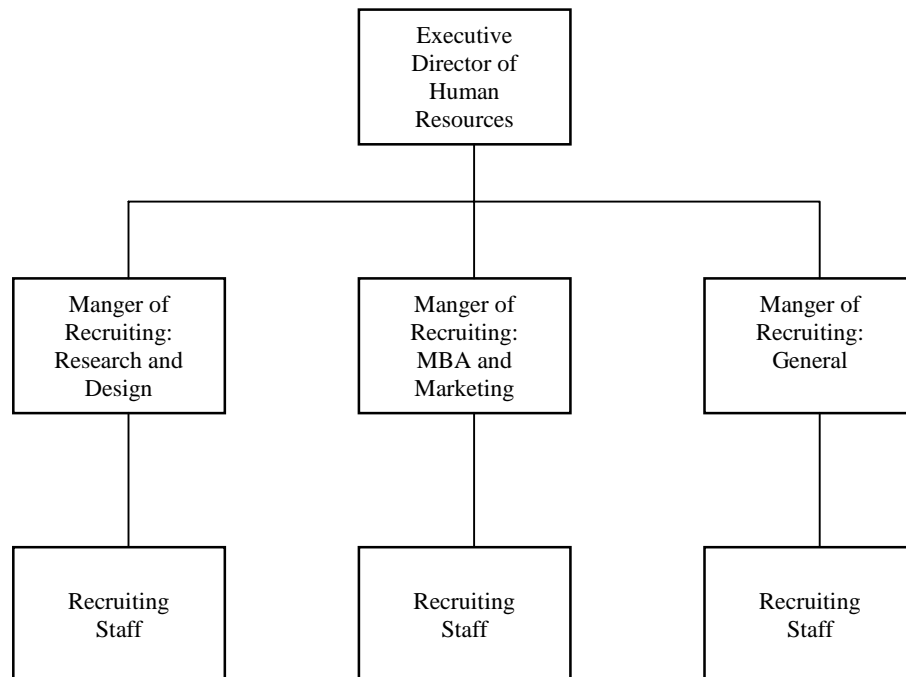
In 1997, the company expanded its recruiting function to reflect its growing staffing needs. In the past the company employed one recruiting manager who oversaw the six recruiters; the new structure of the department is detailed in the organizational chart on the following page.



#### CASE STUDY #4 (CONTINUED)

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##### Company D's Recruiting Function



The executive director of human resources manages many direct reports other than the recruiting managers; consequently, the three managers of recruiting are requesting a director of staffing and recruiting to strengthen the relationship between recruiting and human resources and to act as an advocate for the department.

The interviewed individual stresses that a successful recruiting program requires management buy-in. In order to garner management support, he prepared the presentation, detailed on the following page, which illustrates recruitment's and management's responsibilities. He comments that presenting this clear illustration to management has been instrumental in redefining the recruitment process and receiving management buy-in and support.

## CASE STUDY #4 (CONTINUED)

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### Company D's Recruiting Process and Defining Roles to Reduce Time-to-Fill

#### Stage 1: Identify Needs and Define Jobs

Result: Identified number of job openings  
Job Descriptions  
Owner: Division VP  
Timeline: Commencement

#### Stage 2: Define Recruiting Strategy

Result: Define sourcing strategy  
Identify interviewers and other team members  
Owner: Division VP (or designate) and Recruiter  
Timeline: Within 3 days

#### Stage 3: Implement Sourcing Strategy

Result: Influx of resumes  
Interviewer training  
Owner: Division VP Designate and HR Account Manager  
Timeline: Within 5 days

#### Stage 4: Resume Review

Result: Candidate Pool  
Owner: Recruiter  
Timeline: Review weekly

#### Stage 5: Candidate Selection

Result: Screened candidates  
Owner: VP Designate  
Timeline: Within 5 days of resume review

#### Stage 6: Site Interview

Result: Hiring decision and offer  
Owner: Recruiting team  
Timeline: Within 2 weeks

#### CASE STUDY #4 (CONTINUED)

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Company D utilizes the following sourcing techniques that reflect its recruiting objectives.

- Career fairs
- College recruiting, especially for MBAs
- Employee referrals—the company does not offer a referral bonus; soliciting candidates for hire is a responsibility implicit in the corporate culture
- Internet—Company D solicits candidates on its own web site as well as relevant publications' web sites (*i.e.*, scientific magazines and journals) and sites such as Career Mosaic
- Minority-focused professional organizations
- Newspaper advertisements
- Professional associations and conferences

The company finds advertisements, college recruiting and professionals associations to be the most profitable but notes that the internet is rapidly becoming a more useful resource.

#### SUCCESSFUL RECRUITING TACTICS

*Manage Internet*—The interviewed individual accentuates the importance of technological support as the company increasingly focuses on internet recruiting. In order to utilize the Internet most effectively, the company should update internal and external web sites constantly so that jobs are advertised accurately.

*Resumix™*—In 1996, the recruiting manager collaborated with the HRIS department to select and implement Resumix™ and finds it useful in tracking candidates as it is easy to maintain. However, the interviewed individual cautions that different versions of the system are not completely compatible with each other and employees sometimes have difficulty learning how to use it.

*Remain up-to-date on trends in recruiting*—The managers of recruiting at Company D drive internal change as they feel necessary. The interviewed individual notes that he attends between one and three industry conferences annually to remain up-to-date on trends in the industry and to help him develop long-term goals for the department. One of the recruiting managers utilized external consultants to aide in implementing the structure of his recruiting function, but the other managers decided to outsource implementation only as a last resort; none used external consultants or vendors.

#### MEASURES OF SUCCESS

The interviewed individual feels that it is too soon after the reorganization of the department to speak accurately to the overall success of the new recruiting function. However, he does cite that the number of candidates hired has almost tripled since the reorganization. Company D typically manages between 280 and 250 hires at one time and maintains a cost-per-hire ration of approximately \$10,000.

## CASE STUDY #5

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### BACKGROUND

Due to the highly decentralized structure of **Company E's** recruiting function, the company is currently searching for ways to align more strategically with its divisions than in the past. The company has also defined an internal objective of increasing the diversity of its workforce. As the interviewed individual serves the company as the director of college recruiting, he could not speak directly to the strategic plans of the department; no other representative for Company E is available for comment.

### OVERALL RECRUITING STRATEGY

**Utilize a variety of sourcing techniques, such as college recruiting, Internet and "ethnic conference recruiting"**

Company E prefers Internet recruiting as it is cheap, efficient, easy to utilize and affords recruiters access to a broad candidate base. As the company maintains a constant demand for new hires, the Internet proves especially useful for continually sourcing candidates. Additionally, as an information technology firm, the company seeks employees who possess technical knowledge; by applying through the Internet, candidates demonstrate the minimum technical skills that the company requires.

Company E places strong emphasis upon recruiting entry-level employees from among "the top students at the top universities;" they currently recruit at 84 colleges and universities. The company cites college recruiting as particularly successful for the following reasons:

- Employees joining the company directly from college historically stay with the company longer than people with prior work experience
- Recent graduates possess minimum knowledge about work environments and can more easily adapt to the corporate culture
- Recruiting highly talented employees directly from colleges is easier than enticing them away from their current employers

As the company places strong emphasis on diversity, recruiting from traditionally minority colleges and ethnicity-based professional associations helps the company reach its goal of a diverse workforce. The company stresses that recruiting through these channels is an essential feature of its college recruiting due to the fact that the colleges at which they typically recruit do not always attract the top minority students.

## CASE STUDY #5 (CONTINUED)

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### SUCCESSFUL RECRUITING TACTICS

*Centralized structure*—A centralized corporate staffing department oversees the company's decentralized recruiting functions at the twenty-five divisions. However, the interviewed individual feels that the company's recruiting function needs to be more centralized in order to become more strategic. Due to proprietary concerns, the interviewed individual could not provide specific information regarding the structure of the company's recruiting functions.

*Internet*—Company E focuses upon Internet systems as its main technological support device. The company intranet features utilities which allow recruiting staff and hiring managers access to all up-to-date information regarding the recruiting process (*i.e.*, members of each recruiting team, off-site visit locations). The intranet also allows recruiters to search the requisitions and job descriptions in order to move the candidate to an accurate job match. Company E is beginning to utilize video conferencing, where available, to conduct interviews.

*Internal communication*—The company facilitates change through its Staffing Council, made up of the staffing managers from each business location. This group meets quarterly in order to prioritize recruiting concerns, share knowledge and raise any concerns that they or their staff have.

### MEASURES OF SUCCESS

**Solicit and implement feedback from line management and candidates**

The company does not feel that metrics are a deep enough assessment of the recruiting function's success; consequently, the company does not measure cost-per-hire. Instead, it utilizes the following two mechanisms to measure the recruiting function's success

- Content and frequency of complaints registered by hiring managers
- Surveys of candidates recently offered jobs (regardless of whether they accepted the offer)

The number of vacancies throughout the company's U.S operations that are advertised externally is typically 2,000.

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